

OFFICE OF THE  
**LEGISLATIVE  
FISCAL  
ANALYST**

JONATHAN C. BALL  
DIRECTOR

**MEMORANDUM FOR EXECUTIVE APPROPRIATIONS COMMITTEE**

**FROM:** Steven Allred

**DATE:** September 14, 2021

**SUBJECT:** Other Post-employment Benefits (OPEB) Actuarial Update

The Governmental Accounting Standards Board (GASB) requires financial reporting of government entities' accrued liability for Other Post-employment Benefits (OPEB) to be completed every two years. OPEB generally refers to post-retirement medical/prescription drug and life insurance coverage for eligible retirees and their dependents. Utah's plan covers eligible retirees who elect to participate until they have exhausted their Program I unused accumulated sick leave and Program I unused accumulated converted sick leave. Program I applies to all sick leave accrued prior to January 1, 2006.

The Legislature has appropriated ongoing funds to the Division of Finance to hire the necessary consultants. The division hired Korn Ferry to perform the 2021 calculation (using data as of December 31, 2020) for state employees. Please find a copy of their report enclosed with your September 14 meeting materials. A representative of Korn Ferry will present the report at the meeting.

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